

PROTECTING YOUR BRAND AMID RISE IN COUNTERFEITING

Brand manufacturers are eager to protect consumers from counterfeits, meet the latest regulations and avoid FDA sanctions and recalls. Solutions that track and trace a product through the entire supply chain have become increasingly vital as a result.

PMMI, The Association for Packaging and Processing Technologies, examined this trend in depth by interviewing 75 brand manufacturers, industry experts and technology suppliers.

GLOBAL SCOPE OF COUNTERFEITING

3-7%
of total world trade
is counterfeit.

Global value of
counterfeit goods annually
\$1.5 trillion.

Counterfeiting is increasing
3% per year
worldwide.



COSTS AND CONSEQUENCES OF COUNTERFEITING



Health and safety risks



Slowed US growth due to
loss of trade revenue, loss
of jobs, loss of tax revenue



Costs to seize, store and
destroy pirated goods



Revenue profits
support organized crime
and labor exploitation



Increased spending
on countermeasures



Dilution of brand
value and image

COUNTERFEITERS ARE DIVERSIFYING BEYOND TRADITIONAL TARGETS OF DESIGNER PRODUCTS TO PRODUCE FAKE FOODS, BEVERAGES AND PHARMACEUTICALS.



Food & Beverage

- **7% of products** in grocery stores nationwide **contain fraudulent ingredients.**
- Four-fold increase in food recalls in the last five years.



Pharmaceuticals

- **\$75 BN** - Revenue derived from the global **counterfeit drug market.**
- A single pill can pass through 12 countries during its manufacturing process, creating many opportunities for counterfeiting.
- By late 2018, 75% of the world's prescription medications will be regulated in the fight against criminal opportunity.

COMBATTING COUNTERFEITS

Global anti-counterfeiting solutions
predicted to grow significantly:

CAGRs ranging from
12.8% to 16.1%
over the **next 5 years**

A fully integrated track and trace solution needs:

- ✓ A layered suite of solutions
- ✓ Flexible, adaptable solutions
- ✓ Easily retrievable and readable data at every stage of the supply chain
- ✓ Integrated infrastructure
- ✓ A centralized, universal system to track product movement
- ✓ Full integration for immediate data retrieval during a recall

Manufacturers are using
various brand protection and
traceability methods at each
stage of the supply chain.



INCOMING

PRIMARY

SECONDARY

PALLET/
TRANSPORT

	INCOMING	PRIMARY	SECONDARY	PALLET/ TRANSPORT
1D	60%	54%	58%	34%
2D	4%	20%	10%	4%
PALLET TAG	8%	0%	0%	14%
RFID	0%	0%	0%	10%
SMART INKS	0%	4%	2%	4%
HOLOGRAMS	0%	4%	0%	0%
COVERT MARKINGS	0%	4%	0%	0%
TEMP SENSORS	2%	0%	4%	30%

C O - L O C A T E D



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Industry professionals can learn more about strategies and solutions to protect their brand in the full report – to be released December, 2016. They can also find the latest innovations to combat counterfeits at PACK EXPO International and the co-located Pharma EXPO (Nov. 6–9, 2016; Chicago, IL).

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